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RECEIPTS AND EXPENDITURES UNDER THE ACT APPROVED FEBRUARY 25, 1919.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING

PRELIMINARY REPORT COVERING THE APPROXIMATE RECEIPTS AND EXPENDITURES MADE UNDER THE ACT OF CONGRESS APPROVED FEBRUARY 25, 1919, APPROPRIATING $100,000,000 FOR RELIEF IN EUROPE.

DECEMBER 2, 1919.—Read; message ordered printed, and with accompanying paper referred to the Committee on Appropriations.

To the SENATE AND HOUSE OF REPRESENTATIVES:

As required by the act of Congress, approved February 25, 1919, I transmit herewith a preliminary report on the receipts and expenditures made under appropriation of that act.

WOODROW WILSON.

THE WHITE HOUSE, *December 2, 1919.*

115 BROADWAY, NEW YORK CITY,
November 24, 1919.

His Excellency the PRESIDENT OF THE UNITED STATES,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: I hand you herewith preliminary report covering the approximate receipts and expenditures made under the act of Congress approved February 25, 1919, appropriating $100,000,000 for relief in Europe, to be transmitted to Congress as required by that act.

Owing to reasons stated in the report, it will be necessary to make an additional and final report when all the adjustments in outstanding credits and liabilities connected with the relief operations have been made.

Yours, faithfully,

HERBERT HOOVER.

PRELIMINARY REPORT OF RECEIPTS AND EXPENDITURES UNDER THE ACT OF CONGRESS APPROVED FEBRUARY 25, 1919.

I herewith submit the following preliminary report on receipts and expenditures from the funds provided under the act of Congress approved February 25, 1919, entitled: "An act for the relief of such populations in Europe and countries contiguous thereto, outside of Germany, German-Austria, Hungary, Bulgaria, and Turkey, as may be determined upon by the President as necessary."

In explanation of the report there is attached hereto:

(1) A table showing the preliminary estimate of expenditures from this appropriation and the countries to which the supplies purchased were sent.

(2) A table showing tonnage of each commodity furnished each country on its general food and relief program from the appropriation.

(3) A table showing tonnage of each commodity furnished each country for children's relief from the appropriation. All the values are given in round figures and are tentative for reasons given hereafter, and may vary up to 5 or 10 per cent on the completion of the final statement.

The expenditures on food shipments in Table 1 are roughly divided in the following proportions:

	Per cent.
F. o. b. cost of food and other relief commodities at American ports	77.37
Trans-Atlantic freight on above	20.67
Demurrage	1.10
Handling and transshipment in Europe	.85

About 88 per cent of the relief supplies furnished were sold under contract to the various Governments in the relief areas. For all such sales these Governments gave their special treasury notes in a form approved by the United States Treasury, bearing 5 per cent interest, due June 30, 1921, to June 30, 1924. It was impossible to obtain reimbursement in cash because the currency in the countries to which these supplies were sent was impossible to convert into foreign exchange, except in comparatively insignificant amounts. I give herewith approximate list of the notes of each Government, which we expect to turn over to the United States Treasury.

1. Poland	$57,000,000
2. Czechoslovakia	6,750,000
3. Armenia	10,000,000
4. Russia	5,000,000
5. Esthonia	2,300,000
6. Latvia	3,000,000
7. Lithuania	700,000
8. Finland	4,000,000
Total	88,750,000

The remaining 12 per cent of the supplies were donated in assistance to private organizations set up in each country under direction of the American Relief Administration for the purpose of furnishing food on a charitable basis to undernourished children. For such supplies it was, of course, impossible to obtain reimbursement. This service has contributed greatly to stabilizing the situation in

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those countries, aside from the physical benefits to more than 3,000,000 undernourished children, to whom the war threatened serious and permanent injury. Certainly this service is one for which the name of America will always be held in deepest gratitude.

In addition to the children's relief, the American Relief Administration paid approximately $550,000 for freight and expenditures on old clothing contributed by the American Red Cross and the Commission for Relief in Belgium, which was transported to the liberated countries and distributed without charge. The character of this clothing is so varied and uncertain that it has been found most unwise to attempt any sale on a commercial basis, and as it goes to the poorest classes it is a proper subject for charity.

The American Relief Administration also expended $530,000 on freight in transporting from France to Poland, Czechoslovakia, and Esthonia United States Army bacon which the Governments of these States were able to purchase on credit from the liquidation board in France. This is covered by the treasury notes of those countries.

It should also be noted that a question remains unsettled with the United States Shipping Board regarding the freight charges. The President and the board have approved the policy of fixing these on a cost basis, but as yet no reduction has been made in the tentative rates of freight which were originally fixed at considerably above this cost.

The relief supplies purchased by the American Relief Administration were all of American origin, and none of the appropriation therefore was expended outside of the United States, except to some extent for local freight and handling charges in Europe.

I regret exceedingly that it is impossible to submit at the present time an item statement of the receipts and expenditures. Although the commodities required for relief shipments were all purchased prior to July 1, 1919, marine workers' strikes in the port of New York delayed the sailing of the last relief vessels until August 25. It was, therefore, necessary to continue our accounting staff in Europe until these vessels had been unloaded 30 days later. The transfer of the accounting forces and records from various countries to the London office for credit required further time and thence from London to the United States there was also serious delay by the strikes in England, and finally the unloading of the records was long delayed in New York by the longshoremen's strike. Combination of the European and American accounts is now in process and will be audited before presentation. These delays, together with the complicated nature of the accounts, make it impossible to present an item statement of receipts and expenditures for some little time. At that time the final and complete report will be filed. The totals will not, I believe, vary materially from those given in this report.

Respectfully submitted.

HERBERT HOOVER.

TABLE 1.—*Preliminary estimate of expenditures of American Relief Administration out of $100,000,000 fund.*

Name of country to which shipped.	Amount.
Poland	$56,900,000
Czechoslovakia	6,700,000
Armenia	10,000,000
Esthonia	2,300,000
Latvia	2,900,000
Lithuania	700,000
Finland	3,900,000
Russia	4,600,000
	88,000,000
Children's relief:	
Poland	5,300,000
Czechoslovakia	2,900,000
Serbia	900,000
Roumania	500,000
Finland	500,000
Esthonia	600,000
Latvia	350,000
Lithuania	300,000
Russia	100,000
Various countries:	
Freight in transporting old clothing by Red Cross	300,000
Freight and expense in transporting old clothing contributed by Commission for Relief in Belgium	250,000
	12,000,000
Grand total	100,000,000

TABLE 2.—*Congressional fund for relief—Preliminary summaries of deliveries to various Governments paid for from the above fund.*

[Metric tons.]

	Wheat flour.	Cereal flour.	Wheat.	Rye, barley, and maize.	Rice.	Beans and peas.	Pork.	Lard.	Lard substitutes.	Milk.	Cocoa.	Sugar.	Soap.	Cloth.	Cotton.	Miscellaneous.	Total tonnage.
Poland	130,500	8,346	6,168	68,649	7,606	9,420	12,445	7,600	5,106	2,606	48	1	.....	562	5,775	1,553	266,385
Latvia	19,516	500	.....	.....	233	564	325	20	426	500	.....	.....	.....	.....	.....	.....	13,084
Lithuania	2,566	.....	.....	.....	84	185	278	.....	147	97	.....	.....	.....	.....	.....	.....	3,357
Esthonia	14,694	956	.....	3,808	92	.....	2,539	10	177	127	.....	55	.....	.....	.....	14	22,472
Northwest Russia	16,422	2,626	.....	.....	.....	380	1,846	.....	421	1,056	.....	.....	.....	.....	.....	.....	22,751
Finland	4,054	3,867	.....	15,353	.....	.....	.....	.....	.....	940	.....	120	.....	.....	.....	.....	24,334
Czechoslovakia	18,195	11,302	.....	10,669	928	152	3,463	.....	.....	.....	.....	.....	.....	.....	.....	.....	44,709
Armenia	28,169	8,377	.....	.....	1,022	2,662	.....	.....	.....	3,466	187	813	.....	.....	.....	693	45,389
South Russia	394	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	450	844
Total	225,510	35,974	6,168	98,479	9,965	13,363	20,896	7,630	6,277	8,792	235	989	.....	562	5,775	2,710	443,325

TABLE 3.—*Congressional fund for relief—Preliminary summary of total children's relief deliveries.*

[Metric tons.]

	Wheat flour.	Cereal flour.	Rice.	Beans and peas.	Pork.	Lard.	Lard substitutes.	Milk.	Cocoa.	Sugar.	Miscellaneous.	Total tons.
Poland	858	.....	2,130	1,320	765	.....	.....	2,549	766	801	[1] 180 [2] 1,816 [3] 20	11,205
Lithuania	351	.....	83	78	.....	12	16	374	75	176	[1] 20	1,185
Esthonia	207	.....	113	116	20	.....	3	384	80	178	[1] 20	1,121
Latvia	488	.....	109	131	35	6	2	329	49	95	[3] 8 [1] 20	1,272
Northwest Russia (liberated territory)	389	.....	40	84	20	.....	.....	241	20	53	[1] 20	867
Finland	560	200	200	165	83	22	.....	1,087	46	205	.....	2,562
Czechoslovakia	700	.....	302	248	366	26	54	1,867	421	.....	[2] 111 [1] 130 [3] 10	4,235
Mahrisch Ostrau	.....	.....	17	17	8	.....	.....	60	10	.....	.....	112
Greater Serbia	.....	.....	231	257	30	.....	.....	1,736	240	157	[1] 60	2,711
Roumania	250	.....	170	130	60	10	.....	185	221	406	.....	1,432
In storage:												
Danzig	.....	.....	347	1,577	.....	.....	.....	373	.....	.....	46	2,343
Libau	.....	.....	.....	.....	.....	.....	27	.....	.....	.....	.....	27
Rotterdam	.....	.....	.....	.....	.....	.....	.....	5,223	213	1,039	[1] 223	6,698
Helsingfors	.....	.....	500	500	.....	.....	.....	.....	.....	.....	.....	1,000
Total	3,803	200	4,242	4,623	1,387	76	102	14,408	2,135	3,110	2,684	36,770

[1] Soap. [2] Clothing. [3] Cod-liver oil.

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